

UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

UNITED STATES OF AMERICA,

CIVIL ACTION NO.: ARTHUR J. TARNOW

Plaintiff,

HONORABLE:

vs.

00-75534

KEITH E HAMILTON,

Defendant.

MAGISTRATE JUDGE KONIVES

FILE

COMPLAINT

DEC 27 2000

TO THE HONORABLE UNITED STATES DISTRICT COURT JUDGE
CLERK'S OFFICE
U.S. DISTRICT COURT
EASTERN MICHIGAN

The United States of America, plaintiff, alleges that:

Jurisdiction

1. This Court has jurisdiction over the subject matter of this action pursuant to Article III, Section 2, U.S. Constitution and 28 U.S.C. § 1345.

Venue

2. The defendant is a resident of OAKLAND County, Michigan within the jurisdiction of this Court and may be served with service of process at 247 E Bennett, Ferndale, MI 48220.

The Debt

First Cause of Action - Claim Number: C99-26713

3. The debt owed the USA is as follows:

A. Current Principal (<i>after application of all prior payments, credits, and offsets</i>)	\$2460.48
B. Current Capitalized Interest Balance and Accrued Interest	\$287.90
C. Administrative Fee, Costs, Penalties	\$40.00
D. Credits previously applied (<i>Debtor payments, credits, and offsets</i>)	\$0.00
Total Owed	\$2788.38

Second Cause of Action - Claim Number: C99-26714

4. The debt owed the USA is as follows:

A. Current Principal (<i>after application of all prior payments, credits, and offsets</i>)	\$2068.07
B. Current Capitalized Interest Balance and Accrued Interest	\$529.10
C. Administrative Fee, Costs, Penalties	\$5.65
D. Credits previously applied (<i>Debtor payments, credits, and offsets</i>)	\$.00
Total Owed	\$2602.82
TOTAL OWED (<i>Claim Numbers C99-26713 and C99-26714</i>)	\$ 5391.20

The Certificates of Indebtedness, attached as Exhibits "A" and "B", show the total owed excluding attorney's fees and CIF charges. The principal balance and the interest balance shown on the respective Certificates of Indebtedness, are correct as of the date of the Certificates of Indebtedness after application of all prior payments, credits, and offsets. Prejudgment interest accrues at the rate of 8.% per annum on Claim Number C99-26713 and 9.13% per annum on Claim Number C99-26714.

Failure to Pay

5. Demand has been made upon the defendant for payment of the indebtedness, and the defendant has neglected and refused to pay the same.

WHEREFORE, United States of America prays for judgment:

A. For the sums set forth in paragraph 3 and 4 above, plus prejudgment interest through the date of judgment, all administrative costs allowed by law, and post-judgment interest pursuant to 28 U.S.C. § 1961 and that interest on the judgment be at the legal rate until paid in full;

B. For attorneys' fees to the extent allowed by law; and,

C. For such other relief which the Court deems proper.

Respectfully submitted,

SHERMETA, CHIMKO & ADAMS, P.C.

Dated: November 30, 2000

By: Dina L. Centifanti
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Dina L. Centifanti (P58364)
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U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA

CERTIFICATE OF INDEBTEDNESS

Keith E Hamilton
247 E Bennett
Ferndale, MI 48220

SSN: 382-72-2015

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 11/26/99.

On or about 05/31/88, the borrower executed promissory note(s) to secure loan(s) of \$2,625.00, from MeraBank c/o Loan Origination Center at 8 percent interest per annum. This loan obligation was guaranteed by Northstar Guarantee, Inc. and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et. seq. (34 CFR Part 682). The holder demanded payment according to the terms of the note(s), and credited \$0.00 to the outstanding principal owed on the loan(s). The borrower defaulted on the obligation on 08/10/89, and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,822.78 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 05/20/93, assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$2,283.01 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:

Principal	<u>\$2,460.48</u>
Interest:	<u>\$88.37</u>
Administrative/Collection Costs:	<u>\$40.00</u>
Late Fees:	<u>\$0.00</u>
Total debt as of <u>11/26/99</u> :	<u>\$2,588.85</u>

Interest accrues on the principal shown here at the rate of \$0.54 per day.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

Executed on: DEC 03 1999

Name: [Signature]
Title: LOAN ANALYST
Branch: LITIGATION BRANCH

[Signature]

**U. S. DEPARTMENT OF EDUCATION
SAN FRANCISCO, CALIFORNIA**

CERTIFICATE OF INDEBTEDNESS

Keith E Hamilton
247 E Bennett
Ferndale, MI 48220

SSN: 382-72-2015

I certify that Department of Education records show that the borrower named above is indebted to the United States in the amount stated below plus additional interest from 11/26/99.

On or about 05/31/88, the borrower executed promissory note(s) to secure loan(s) of \$1,930.00, from First Independent Trust Company at a variable rate of interest to be established annually by the Department of Education. This loan obligation was guaranteed by Northstar Guarantee, Inc. and then reinsured by the Department of Education under loan guaranty programs authorized under Title IV-B of the Higher Education Act of 1965, as amended, 20 U.S.C. 1071 et seq. (34 CFR Part 682). The holder demanded payment according to the terms of the note(s), and credited \$0.00 to the outstanding principal owed on the loan(s). The borrower defaulted on the obligation on 01/28/89, and the holder filed a claim on the guarantee.

Due to this default, the guaranty agency paid a claim in the amount of \$2,135.65 to the holder. The guarantor was then reimbursed for that claim payment by the Department under its reinsurance agreement. The guarantor attempted to collect the debt from the borrower. The guarantor was unable to collect the full amount due, and on 07/01/93, assigned its right and title to the loan(s) to the Department.

Since assignment of the loan, the Department has received a total of \$1,022.14 in payments from all sources, including Treasury Department offsets, if any. After application of these payments, the borrower now owes the United States the following:


Principal:	<u>\$2,068.07</u>
Interest:	<u>\$337.70</u>
Administrative/Collection Costs:	<u>\$5.65</u>
Late Fees:	<u>\$0.00</u>
 Total debt as of <u>11/26/99</u> :	 <u>\$2,411.42</u>

Interest accrues on the principal shown here at the current rate of 9.13% and a daily rate of \$0.52 through June 30, 2000 and thereafter at such rate as the Department establishes pursuant to section 427A of the Higher Education Act of 1965, as amended, 20 U.S.C. 1077a.

Pursuant to 28 U.S.C. § 1746(2), I certify under penalty of perjury that the foregoing is true and correct.

BEC 03 1999,

Executed on: _____

Name: 
Title: LOAN ANALYST
Branch: LITIGATION BRANCH

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